AMENDED IN ASSEMBLY JULY 3, 2001 AMENDED IN SENATE APRIL 23, 2001

SENATE BILL

No. 1170

Introduced by Senator Sher

February 23, 2001

An act to amend Section 25000.5 of, and to add Chapter 8.3 (commencing with Section 25722) to Division 15 of, the Public Resources Code, relating to energy resources.

LEGISLATIVE COUNSEL'S DIGEST

SB 1170, as amended, Sher. State vehicle fleet.

The Warren-Alquist State Energy Resources Conservation and Development Act specifies the policies of the state regarding energy resources and requires the State Energy Resources Conservation and Development Commission to acquire and analyze information to ascertain future energy problems and uncertainties, including impacts of petroleum price increases and projected conservation measures on the demand for energy.

This bill would make it the policy of the state to minimize the use of petroleum-based fuels by state agencies. The bill would require the commission and, the Department of General Services, and the State Air Resources Board to develop and adopt fuel-efficiency specifications governing the purchase by the state of motor vehicles and replacement tires. The bill would require the commission and the Department of General Services department, in developing the specifications, to jointly conduct a study to examine state vehicle purchasing patterns and to analyze the costs and benefits of reducing the energy consumption of the state fleet by no less than 10% on or before January 1, 2005. The

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bill would also require the commission, the department, and the state board, on or before January 31, 2003, and annually thereafter, to develop and adopt air pollution emission specifications governing the purchase by the state of passenger cars and light-duty trucks that meet or exceed the state's Ultra-Low Emission Vehicle (ULEV) standards for exhaust emissions. The bill also would require the commission, on or before January 31, 2003, to develop and adopt recommendations for consideration by the Governor and Legislature for a California State Fuel-Efficient Tire Program-on or before January 31, 2003.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 25000.5 of the Public Resources Code 2 is amended to read:

25000.5. (a) The Legislature finds and declares that overdependence on the production, marketing, and consumption of petroleum based fuels as an energy resource in the transportation sector is a threat to the energy security of the state due to continuing market and supply uncertainties. In addition, petroleum use as an energy resource contributes substantially to the following public health and environmental problems: air pollution, acid rain, global warming, and the degradation of California's marine environment and fisheries.

- (b) Therefore, it is the policy of this state to fully evaluate the economic and environmental costs of petroleum use, and the economic and environmental costs of other transportation fuels, including the costs and values of environmental impacts, and to establish a state transportation energy policy that results in the least environmental and economic cost to the state. In pursuing the "least environmental and economic cost" strategy, it is the policy of the state to exploit all practicable and cost-effective conservation and improvements in the efficiency of energy use and distribution, and to achieve energy security, diversity of supply sources, and competitiveness of transportation energy markets based on the least environmental and economic cost.
- (c) It is also the policy of this state to minimize the use of petroleum-based fuels by state agencies. In implementing a strategy to maximize petroleum-based fuel consumption

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reduction, it is the policy of the state to purchase the cleanest and most efficient automobiles and replacement tires, to maximize the use of alternative fuels in its fleets, and to implement all other practicable and cost-effective conservation measures.

- (d) For the purposes of this section, "petroleum based fuels" means fuels derived from liquid unrefined crude oil, including natural gas liquids, liquefied petroleum gas, or the energy fraction of methyl tertiary-butyl ether (MTBE) or other ethers that is not attributed to natural gas.
- SEC. 2. Chapter 8.3 (commencing with Section 25722) is added to Division 15 of the Public Resources Code, to read:

Chapter 8.3. State Vehicle Fleet.

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- 25722. (a) On or before January 31, 2003, the commission and the Department of General Services, the Department of General Services, and the State Air Resources Board, in consultation with any other state agency that the commission and the department, the department, and the state board deem necessary, shall develop and adopt fuel-efficiency specifications governing the purchase by the state of motor vehicles and replacement tires that, on an annual basis, will reduce petroleum consumption of the state vehicle fleet to the maximum extent practicable and cost-effective.
- (b) In developing the specifications, the commission and the department shall jointly conduct a study to examine state vehicle purchasing patterns, including the purchase of after market tires, and to analyze the costs and benefits of reducing the energy consumption of the state vehicle fleet by no less than 10 percent on or before January 1, 2005.
- (c) The study shall include an analysis of all of the following topics:
 - (1) Use of fuel-efficient vehicles.
 - (2) Use of alternative fuels.
- (3) Costs and benefits of decreasing the size of the state vehicle 36 fleet.
 - (4) Reduction in vehicle trips and increase in use of alternative means of transportation.
 - (5) Improved vehicle maintenance.
 - (6) Use of fuel-efficient tires.

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(6) Costs and benefits of using fuel-efficient tires relative to using retreaded tires, as described in the Retreaded Tire Program (Chapter 7 (commencing with Section 42400) of Part 3 of Division *30 of the Public Resources Code).*

- (7) The costs and benefits of purchasing high fuel efficiency gasoline vehicles, including hybrid electric vehicles, instead of flexible fuel vehicles.
- (d) On or before January 31, 2003, and annually thereafter, the commission, the Department of General Services, and the State Air 10 Resources Board, in consultation with any other state agency that the commission, the department, and the state board deem necessary, shall develop and adopt air pollution emission specifications governing the purchase by the state of passenger cars and light-duty trucks that meet or exceed California's Ultra-Low Emission Vehicle (ULEV) standards for exhaust emissions (13 Cal. Code Regs. 1960.1).
 - (e) If the study described in subdivision (b) determines that lower cost measures exist that deliver petroleum reductions equivalent to applicable federal requirements governing the state purchase of passenger cars and light-duty trucks, the state shall pursue a waiver from those federal requirements.
 - 25723. On or before January 31, 2003, the commission, in consultation with any other state agency that the commission deems necessary, shall develop and adopt recommendations for consideration by the Governor and the Legislature of a California State Fuel-Efficient Tire Program. The commission shall make recommendations on all of the following items:
 - (a) Establishing a test procedure for measuring tire fuel
 - (b) Development of a data base of fuel efficiency of existing tires in order to establish an accurate baseline of tire efficiency.
 - (c) A rating system for tires that provides consumers with information on the fuel efficiency of individual tire models.
 - (d) A consumer-friendly system to disseminate fuel-efficiency information as broadly as possible. commission shall consider labeling, Web site listing, printed fuel economy guide booklets, and mandatory requirements for tire retailers to provide fuel-efficiency information.

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(e) A study to determine the safety implications, if any, of different policies to promote fuel efficient replacement tires in the consumer market.

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- (f) A mandatory fuel-efficiency standard for all after market tires sold in California.
- (g) Consumer incentive programs that would offer a rebate to purchasers of replacement tires that are more fuel efficient than the average replacement tire.